

MARICOPA COUNTY
DEPARTMENTAL QUARTERLY REPORT

Third Quarter Report, Fiscal Year 1999 - 2000
Financial Resources Management, Tom Manos, CFO

ANALYSIS / GENERAL LEDGER TRANSACTIONS / SYSTEMS

Goals	Accomplishments/Comments
1. In coordination with Materials Management and the Office of the Chief Information Officer develop and implement a phased electronic commerce initiative. <ul style="list-style-type: none">• Complete a pilot.• Develop a proof of concept from the pilot.• Develop a budgeting request/recommendation for fiscal year 2000-2001 to fund the next phase of the electronic commerce initiative.• Recommend a design for the E-Procurement system.	<ul style="list-style-type: none">• The pilot that has been chosen is on-line vendor registration. Orange County and San Diego County already have developed this process so we plan to meet with them to discuss their implementation success, and then we will develop our timeline for completion.• An Electronic Commerce Budget Issue has been given to OMB. An analyst has been assigned to review it.
2. Develop a mentoring program for the Department of Finance.	<ul style="list-style-type: none">• A review of mentoring programs found on the internet has been initiated.• Continued the review of internet information and other sources of information.• Due to staffing issues, this project is on hold for this quarter.
3. Prepare and distribute the Comprehensive Annual Report one week earlier than the prior year (by October 22, 1999)	<ul style="list-style-type: none">• Goal completed.
4. In coordination with Internal Audit introduce the Control Self-Assessment philosophy to Maricopa County. <ul style="list-style-type: none">• Develop a Self-Assessment Workshop for County Employees with Cash Handling Responsibilities.	<ul style="list-style-type: none">• Goal Completed, 189 participants from 36 departments came up with 169 action items to improve their cash handling.• The workshop will be added to the Quarterly Training catalogue.• A summary version of the Cash Handling Workshop has been presented twice to the MCMI supervisor school.
5. Reduce the staff turnover ratio in the Department of Finance. Hire, train, motivate, and retain a talented and hardworking staff.	<ul style="list-style-type: none">• Employees are receiving training that they need to perform their jobs.• A request for a salary review of all positions within the Finance Department has been completed by Human Resources. Salary advancements have been completed and are currently being processed by HR.• We are working on a Strategic Plan, which emphasizes retaining a talented and hardworking staff.• Ergonomic reviews are continuing and will be finalized in the next quarter.
6. Begin the process to early implement GASB 34, the New Reporting Model.	<ul style="list-style-type: none">• Currently putting together a project team to work on developing a timeline to implement GASB 34.• Currently summarizing GASB 34 to develop an "easy to read" document, as well as, gain an in-depth knowledge.

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	<ul style="list-style-type: none"> Developing sample financial statements for internal use and a better understanding of the issues.
7. Develop a Grant Certification Program.	<ul style="list-style-type: none"> Researched existing Grant Certification Programs and drafted proposed curriculum. Formed a team with external departments to develop course content. First meeting to be held on October 5, 1999. After several meetings with the team a proposed curriculum was developed. It was determined that the time and resources to fully develop and implement this program are not available at this time. It was decided that an individual Grant Accounting course designed specifically for Grant Accountants at the department level is needed. However, due to reorganization in two of the team members' departments and a vacancy in the DOF Grant Division this project has been put on hold for the foreseeable future.
8. Continue to improve customer service.	<ul style="list-style-type: none"> Customer Service continues to be very important to the Department of Finance. It is an important part of our 5-year Strategic Plan that is currently being developed.
9. Develop performance measurements that document the value of our service to Maricopa County citizens.	<ul style="list-style-type: none"> Performance measurements were developed for the annual budget document and are currently being monitored and updated.
10. Support the County Manager and Chief Financial Officer by serving on the MIHS Campus Facility Planning Committee to help create a master space plan that will cost-effectively handle county office needs to the year 2020.	<ul style="list-style-type: none"> Facilities Management is developing a master space plan.
11. Continue to reduce the percent of discounts lost by Maricopa County.	<ul style="list-style-type: none"> Working with departments to make payments more efficient so more discounts will be taken. The goal this year is to improve the amount of discounts lost by 4% over last year. Contacted each department that is currently over the 4% goal to develop an action plan to reduce their discounts lost. Continuing to encourage departments to process "discount payments" quickly to ensure all discounts available are taken.
12. Improve the Effectiveness and Efficiency of the County's Financial Reporting <ul style="list-style-type: none"> Add cash flow (operating funds) and investment activity to Monthly Financial Report Migrate the preparation of the report from Excel spreadsheets to a report writer package Minimize or eliminate Advantage monthly hardcopy reports Reduce the production of microfiche to two file copies only 	<ul style="list-style-type: none"> On-going On-going Approximately 85% of all County departments no longer receive the monthly hardcopy reports. They are utilizing Report.Web (intranet reporting system) or other electronic media provided by finance to review and analyze their financial activity. Approximately 15 departments were receiving microfiche of the County's financial reports. Microfiche is a very old method of distributing financial information and is no longer needed given

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<ul style="list-style-type: none"> • Develop an electronic process for storage of Advantage monthly reports • Prepare Advantage to receive and report budgetary information at the lowest budgeted organization level • Provide user departments with more ability to customize their Advantage financial reports • Enhance and document the Journal Voucher review and approval process 	<p>the advancements in other reporting distribution tools. We have discontinued the circulation of microfiche to all user departments and now only receive two copies here in Finance. These copies serve as an archive of the County's financial reports. No departments have reported any problems with the discontinuation of the microfiche. There will be a cost saving for Finance with this change.</p> <ul style="list-style-type: none"> • On going • We have provided ATC with test data for the revised reports. ATC will test the reports and ensure that they are correct and ready for use beginning in 7-00. • The software we utilize to provide the Advantage reports electronically to the user departments via Report.Web has a functionality that allows us to customize reports. Two new report formats have been developed and implemented. These formats provide information via an excel spreadsheet. The reports have been well received and allow the departments to customize their financial data according to their individual reporting needs. The remaining reports will be customized and provided after ATC begins providing the revised reports referred to above. • On-going
<p>13. Increase Communication with Agencies on Financial Accounting and Reporting Issues. Form a "Reporting Focus Group" with major agencies to accomplish the following:</p> <ul style="list-style-type: none"> • Enhance analysis of budget to actual reporting • Make better informed decisions on changes to financial reports • Assist us in assessing the needs of departments • Reduce the number of rejected transactions on the financial system 	<ul style="list-style-type: none"> • An agenda for the first meeting was drafted. The first meeting has been postponed until after the budget cycle. First meeting topics include downloads and Report.Web. • Starting with the January monthly financial report, we have implemented a departmental reporting process that notifies departments of overruns immediately following the monthly close. We have requested a written response from the department to provide an explanation as well as corrective action plan for any negative variances. This process utilizes the County e-mail system, which we feel has made the correspondence more convenient for departments as well as faster. This information is shared with OMB and the majority of departments have been very responsive to our requests. This procedure has enhanced our understanding of department variances and has directed more accountability of negative budget variances to the departments.
<p>14. Develop a Systems Team (Mainframe and PC Server Based)</p> <ul style="list-style-type: none"> • Document the current systems • Develop the routine maintenance needs of the system's business cycle 	<ul style="list-style-type: none"> • The Systems Team has been established and has been meeting at least monthly. Below is an update on the team's progress: <ol style="list-style-type: none"> 1. SQL Server – A written maintenance plan for the SQL server has been developed. 2. Advantage Interfaces – Nine interfaces have been

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<ul style="list-style-type: none"> • Develop the security profile process and maintenance • Document month and year-end system process • Work with consultant to implement enhancements 	<p>identified and documented in draft form. The Budget, Treasurer and HR interfaces with Advantage have been documented in detail.</p> <ol style="list-style-type: none"> 3. Security Procedures and System Profiles – The team has reviewed the initial draft and the procedures have been finalized. 4. Database Management and Structure – The team is currently reviewing the draft. 5. The team also has assisted in current planning/projects relating to the County's initiative to improve overall financial management (next generation planning, RSM McGladrey Project, OMB's new system, Chart of Account restructure and Performance Measure initiatives.) 6. The team has also completed the necessary testing of all finance processes associated with the Advantage 2.0.1 system upgrade.
<p>15. Develop a User Friendly Electronic Access to the Department's Policy and Procedures Document (Fact book)</p>	<ul style="list-style-type: none"> • The information is available via a desktop icon (point and click access) for internal department staff.
<p>16. Ensure that the following Monthly General Accounting and Reporting Duties are Completed Timely</p> <ul style="list-style-type: none"> • Cash Reconciliation • Warrant Reconciliation • Cash Transfers • MIHS Data Transfer (STAR) • Payroll Reconciliation • Revenue Transactions (Sales Tax, Property Tax, VLT and Interest) • Cash receipt, Journal Voucher data input • Month-end closed by 3rd business day (5th if payroll week) • Monthly Financial Report issued 10 business days after close • Executive Summary of Financial Report issued 2 days after close 	<ul style="list-style-type: none"> • All areas have been working well with the following exceptions: <ol style="list-style-type: none"> 1. The monthly financial reports for July and August were issued late due to problems with budget information. Given the current status of the budget system, it took more time than usual to obtain and transfer budget data into Advantage. These problems have been overcome. 2. One month-end close was delayed due to budget interface problems and ATC system resource availability. This delay did not cause departments any inconveniences.
<p>17. Work with OMB to implement a New Budget System that Interfaces with Advantage Efficiently and to Implement a Process to Monitor Performance Measures.</p>	<ul style="list-style-type: none"> • A financial accounting structure is being developed that will streamline and organize department activity to comply with the County's initiative to implement performance measures. We are working closely with Norma Johnson, OMB Project Coordinator, to facilitate this initiative. • We are currently working with OMB system staff to

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	develop an efficient interface between Advantage and OMB's new system (Adaytum)
18. Issues the Annual Trends Report issued by 12/31/99	<ul style="list-style-type: none">• A new report format has been developed to more clearly illustrate the County's current and historical financial information to the community. Other projects with more immediate needs took priority this quarter. The final draft of the report is currently being reviewed by department management.
19. Complete the following Processes in a Timely Manner <ul style="list-style-type: none">• Rate Setting for Property Tax and update of manual• Cost Allocation Plan and Manual• Jail Per Diem Calculation	<ul style="list-style-type: none">• All property tax information was completed on time. The update to the manual is in progress.• The Cost Allocation Plan and Manual are complete.• Jail Per Diem is complete
20. Research and Implement with ATC a long-term solution to our data warehousing needs. This solution should provide for the following: <ul style="list-style-type: none">• Unlimited access to our financial databases• Allow for super "databases" of information to be maintained• User Department access, where appropriate	<ul style="list-style-type: none">• The Systems Team and ATC have reviewed our needs and developed an implementation plan. The plan includes purchasing an SQL Server to house the County's financial databases. The server has been budgeted for fiscal year 2000-01. We are expecting to make the purchase in late September.
21. Cross train staff on all critical need areas	<ul style="list-style-type: none">• Staff have been cross-trained on the cost allocation, the month-end close, the budget upload, monthly financial report preparation and the property tax rate setting processes.